

Connecticut General Assembly

HOUSING COMMITTEE

February 17, 2009

REASONS TO PRESERVE CONN. GEN. STAT. § 8-30g, THE AFFORDABLE HOUSING LAND USE APPEALS ACT

The following statement provides a summary of the reasons that have accumulated during the past 19 years for preserving § 8-30g. This statement has been endorsed by the Connecticut Housing Coalition, the Partnership for Strong Communities, the Home Builders Association of Connecticut, Legal Assistance Resource Center, Southeast Connecticut Housing Alliance, Affordable Housing and Homelessness Committee of the Connecticut Bar Association, and Connecticut Association of Realtors.

1. **Housing Production.** During its almost 20 years as Connecticut law, § 8-30g has spurred the approval and construction or preservation of workforce housing that would not otherwise have been developed. Current counts, backed by the DECD "Ten Percent List," show approximately 4,700 units of housing that are subject to maximum price or rent restrictions that satisfy § 8-30g standards. In addition, approximately 5,000 units of lower-cost, market-rate housing have been built as part of "set aside" developments.
2. **Success.** Across the state, there are § 8-30g success stories: beautifully-designed, well-constructed, and appropriately-situated homes, such as Olde Oak Village in Wallingford; Old Farms Crossing in Avon; Trumbull Townhomes; Avalon Bay in Wilton, Darien, Orange, and Trumbull; and West Hartford Interfaith Housing/Flagg Road in West Hartford.
3. **Clear Standards.** After 19 years, the standards used for evaluation of § 8-30g proposals are well-established and clear to judges, municipalities, applicants, and consultants.
4. **Documented Denial Reasons Upheld In Court.** Whenever a municipal zoning commission has documented a health or safety concern with an affordable housing proposal, such as a lack of sewage disposal capacity, water supply, or emergency vehicle access, the courts have upheld that denial.
5. **Protection of Municipalities.** In 2000, the statute was amended to provide greater procedural protections for towns, to close loopholes, and to assure that § 8-30g developments provide a level of affordability not otherwise available in the communities covered by the statute. The amendments have worked as intended.
6. **HOMEConnecticut.** The successful launch of the HOMEConnecticut program is in part attributable to the existence of § 8-30g. The weakening or repeal of § 8-30g would not only be a blow to the development of workforce housing, but also might seriously undercut HOMEConnecticut.

7. **Workforce Housing Need: Never Greater.** The need for housing that is affordable has never been greater. The declines in the cost of housing over the past year – more modest than declines in other states – have not come close to offsetting the 66 percent increase in prices from 2000-2007, and median incomes are now declining for the first time in years while the cost of rental housing is rising and the supply is shrinking. Connecticut has lost more 25-34-year-old workforce than any state since 1990. The Low Income Housing Tax Credit program is less effective than in the past because the value of the credits has declined as businesses have had lower profits to offset with credits. Finally, the need for lower-cost, multi-family rental has never been greater because the lack of supply, to say nothing of record foreclosures, is leading to increases in homelessness.

8. **Prices for Moderately-Priced Housing Have Barely Declined.** Although statewide statistics show a drop in median sales prices and sales transactions of about nine percent from 2007 to 2008, the most recent Warren Group statistics show that these declines are mostly at the highest price ranges, not in the \$100,000 to \$250,000 range.

9. **Settlements.** Section 8-30g applications have resulted in compromise settlements that satisfy the municipality and help meet the need for workforce housing. In 2008 alone, three major § 8-30g applications (Meadowood in Simsbury, Avalon Bay in Wilton, and Pelletier in East Hampton) were settled, resulting in approvals of 144 workforce housing units and 386 market-rate units.

10. **Smart Growth Track Record.** Many § 8-30g developments, because of their location, density, and use of existing infrastructure, provide good examples of consistency with smart growth principles.

11. **Municipal Services And Fiscal Impacts?** In many cases, objectors to § 8-30g applications have predicted increases in crime, taxes, traffic, pollution, etc. These dire predictions have *not* come to pass. In fact, municipal leaders – First Selectmen, Police Chiefs, School Superintendents, and Town Planners – often praise § 8-30g developments as a social and fiscal benefit.

12. **Moratorium Provisions** are working as intended. The incentive point system, as well as the counting of accessory apartments and manufactured homes, have provided incentives that have been utilized. Trumbull and Berlin have achieved moratoriums based on approving § 8-30g developments and several municipalities are within striking distance of doing so.

13. **Wetlands Protection.** In 2008, several legislators and environmental groups contended that § 8-30g compromises wetlands protection. To the contrary, § 8-30g has never been available to challenge a denial based on wetlands impact. In fact, in 2008, three § 8-30g applications were *denied* due to wetlands encroachments, and the denials were upheld by the courts, applying existing wetlands law.

14. **Reducing Economic And Racial Barriers.** One of § 8-30g's original purposes was to reduce economic and racial barriers. While these results are difficult to measure, there is no doubt that § 8-30g has resulted in greater housing opportunities for lower income households in suburban communities than would otherwise have occurred.